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SYMETRA
FINANCIAL

Hearings Unit, OIC
Patricia D. Petersen
Chief Hearing Officer

VIA OVERNIGHT MAIL

May 16, 2005

Mr. James E. Tompkins
Assistant Deputy Commissioner
Company Supervision Division
Office of Insurance Commissioner
State of Washington
Insurance Building
Olympia, WA 98504

RECEIVED
MAY 17 2005
INSURANCE COMMISSIONER
COMPANY SUPERVISION

Re Notice of Proposed Merger of American States Life Insurance Company with and into
Symetra Life Insurance Company, a Domestic Insurer

Dear Mr. Tompkins

Pursuant to RCW 48.31.010, Symetra Life Insurance Company ("SLIC") provides this notice to the Office of the Insurance Commissioner ("OIC") of this intention to merge with its wholly-owned subsidiary, American States Life Insurance Company ("ASLIC"), and requests a hearing be set to approve the merger. Enclosed are the following documents:

1. Certified copy of the action of the Board of Directors of SLIC approving the Plan of Merger (original plus one copy)
2. Draft Findings of Fact, Conclusions of Law and Order to be executed by the OIC.
3. Draft Articles of Merger, incorporating the Plan of Merger, to be filed after entry of the Order.
4. Draft Assumption Certificate for policyholders of ASLIC

IDENTITY AND BACKGROUND OF THE PARTIES

ASLIC is an Indiana domestic stock life insurance company. Its Indiana address is 500 N Meridian Street, Indianapolis, IN 46204. Its executive offices are located at 5069 154th Place NE, Redmond, Washington 98052. Besides Indiana, ASLIC is admitted to do business in the District of Columbia and all states except New York.

SLIC is a Washington domestic stock life insurance company. Its home office is located at 5069 154th Place NE, Redmond, Washington 98052. In addition to Washington, SLIC is admitted to do business in the District of Columbia and all states except New York.

Symetra Life Insurance Company • 5069 154th Place NE • Redmond, WA 98052-9669 • www.symetra.com
Mailing Address PO Box 34690 • Seattle, WA 98124-1690 • Phone (877) 796-3872 • TTY/TDD (800) 833-6388

CERTIFICATE OF ADOPTION

SYMETRA LIFE INSURANCE COMPANY

The undersigned, being an Assistant Secretary of Symetra Life Insurance Company (formerly Safeco Life Insurance Company), a corporation organized and existing under the laws of the state of Washington, certifies that the following resolution was duly adopted by unanimous action without meeting of the Board of Directors of Symetra Life Insurance Company on May 16, 2005, and that the said resolutions have not been subsequently amended or revoked and is in full force and effect:

WHEREAS, American States Life Insurance Company is a wholly-owned subsidiary of the Company;

WHEREAS, the Board of Directors has determined it to be in the best interests of the parties that American States Life Insurance Company be merged into the Company; it is therefore

RESOLVED, that the merger of American States Life Insurance Company, on the terms and conditions set forth in the Plan of Merger attached to this action, is approved, and

FURTHER RESOLVED, that the officers of the Company, or any one the them, are each hereby authorized on behalf of this Company to take such further action or execute such other documents as they or any of them deem necessary or appropriate to effectuate the foregoing resolution

Dated: May 16, 2005


Julie M. Bodmer, Assistant Secretary



100% of the issued and outstanding stock of ASLIC is owned by SLIC. SLIC acquired the stock on March 31, 2000, by assignment from American States Insurance Company ("American States"). American States became a member of SLIC's insurance holding company system on October 1, 1997.

100% of the issued and outstanding stock of SLIC is owned by Symetra Financial Corporation ("Symetra"), a privately held holding company domiciled in Delaware. Its executive offices are located at 5069 154th Place NE, Redmond, Washington 98052. Through its operating subsidiaries, Symetra provides life insurance and annuities, group insurance, employee benefits and retirement plans throughout the United States.

PLAN OF MERGER

The merger of ASLIC and SLIC will be accomplished through the Plan of Merger which was adopted by SLIC's Board of Directors on May 16, 2005, by unanimous action without meeting. Pursuant to the Plan of Merger, SLIC will be the surviving corporation and will continue to exist as a domestic corporation under the laws of the state of Washington, with all of the rights and obligations of such surviving domestic corporation as are provided by the Washington Business Corporation Act. Upon merger, ASLIC shall cease to exist and its property shall become the property of SLIC as the surviving corporation.

The authorized capital stock of ASLIC consists of 2,500,000 shares of common stock, all of which have been issued and are currently outstanding. All 2,500,000 shares are owned by SLIC. All 2,500,000 issued and outstanding shares of ASLIC, being owned in their entirety by SLIC, and all rights in respect of such shares, shall be canceled as of the effective date of the merger. The certificates representing such shares shall be surrendered and canceled. Each share of SLIC outstanding on the effective date of the merger shall thereupon, without further action, become one share of the surviving corporation, without the issuance or exchange of any new shares or share certificates.

Upon merger, all rights and obligations of ASLIC shall become the rights and obligations of SLIC. All annuity and insurance policies, of whatever kind, issued by ASLIC and in force at the effective date of the merger shall become the policies of SLIC. All obligations of ASLIC to policyholders, of whatever kind, shall become obligations of SLIC. Current policyholders of ASLIC will experience absolutely no change in the terms and conditions of their policies, or in any values they hold under those policies, when ASLIC is replaced by SLIC at the effective date of the merger. ASLIC policyholders will receive an Assumption Certificate in the form or substantially the form provided herewith.

ASLIC's in-force block of business consists of approximately 123,000 policies of life insurance, disability income insurance, and annuities. ASLIC ceased actively writing new business in October, 2004.

As stated in its statutory annual statement as of 12/31/2004 filed with the OIC, ASLIC had capital and surplus of \$81,973,953, and admitted assets of \$565,443,654. As stated in its statutory annual statement as of 12/31/2004 filed with the OIC, SLIC had capital and surplus of \$1,138,437,319 and admitted assets of \$18,887,872,681. SLIC and ASLIC have a current A.M. Best rating of A (Excellent) on a group/consolidated basis. Consequently, SLIC's rating will not be affected by the proposed merger with ASLIC.

The board of directors and the principal officers of ASLIC and SLIC are substantially identical. The same employees currently operate both ASLIC and SLIC. ASLIC policyholders will not experience as a result of the merger any change in the competence or experience of the individuals operating the company issuing their policies.

The merger will have no material effect on the future plans of SLIC, and will have no impact on employment levels at SLIC.

No director, officer, member or subscriber of either SLIC or ASLIC will receive any fee, commission, other compensation or valuable consideration whatsoever, for in any manner aiding, promoting or assisting in the merger, other than their regular salary as an employee of SLIC or ASLIC.

The merger is also subject to review by the Indiana Department of Insurance. A comparable notice, together with the proposed Plan of Merger and hearing request, will be filed with that Department shortly. If both the OIC and the Indiana Department of Insurance approve the merger, the merger will be effective the later of the date of filing of the appropriate Articles of Merger in both Washington and Indiana or September 30, 2005.

Should you have any additional questions or comments, please contact me at the numbers above or Jeff Laurence at (425) 376-5330. We look forward to hearing from you regarding scheduling a hearing date at your earliest convenience.

Best Regards,



Julie M. Bodmer
Counsel
Symetra Life Insurance Company
American States Life Insurance Company

CC: Jeff Laurence, Counsel

Encl.

PLAN OF MERGER
OF
SYMETRA LIFE INSURANCE COMPANY
AND
AMERICAN STATES LIFE INSURANCE COMPANY

Symetra Life Insurance Company adopts the following Plan of Merger for the purpose of merging American States Life Insurance Company into Symetra Life Insurance Company.

A. Parties. This Plan of Merger is adopted by action of the Board of Directors of Symetra Life Insurance Company, a Washington corporation, effective May 16, 2005, for the purpose of merging American States Life Insurance Company, an Indiana corporation, into Symetra Life Insurance Company. American States Life Insurance Company is a wholly-owned subsidiary of Symetra Life Insurance Company.

Symetra Life Insurance Company shall be the surviving corporation and shall continue to exist as a domestic corporation under the laws of the state of Washington, pursuant to its Articles of Incorporation originally filed January 23, 1957, and as amended from time to time, with all of the rights and obligations of such surviving domestic corporation as are provided by the Washington Business Corporation Act.

American States Life Insurance Company shall cease to exist (except as otherwise provided for specific purposes under the Indiana Business Corporation Law) and its property shall become the property of Symetra Life Insurance Company as the surviving corporation.

B. Conversion of Shares. This merger is intended and shall be treated as a distribution and complete liquidation of American States Life Insurance Company under Sections 332(b) and 334(b)(1) of the Internal Revenue Code of 1986, as amended

Upon merger, all issued and outstanding shares of American States Life Insurance Company, such shares being owned in their entirety by Symetra Life Insurance Company, and all rights in respect thereof, shall be canceled as of the Effective Date of this merger. The certificates representing such shares shall be surrendered and canceled.

Each share of Symetra Life Insurance Company outstanding on the Effective Date of this merger shall thereupon, without further action, become a share of the surviving corporation, without the issuance or exchange of any new shares or share certificates.

C. Effective Date For all purposes of the state of Washington, this merger shall become effective at 11:59 p.m. on the later to occur of the date of filing of Articles of Merger with the Secretary of State of the state of Washington and/or the Insurance Commissioner of the state of Washington, in accordance with the laws of the state of Washington, or September 30, 2005.

For all purposes of the state of Indiana, the effective date of this merger and the cessation of the separate existence of American States Life Insurance Company (except insofar as it may be continued under Indiana law) shall be 11:59 p.m. on the later to occur of the date of filing of Articles of Merger with the Secretary of State of the state of Indiana and/or the Insurance Commissioner of the state of Indiana, in accordance with the laws of the state of Indiana or September 30, 2005.

The date upon which this Agreement is filed in the offices mentioned above and becomes effective, and upon which American States Life Insurance Company and Symetra Life Insurance Company shall so become a single corporation shall be the effective date of the merger ("Effective Date").

D. Directors and Officers. The directors and officers of Symetra Life Insurance Company immediately prior to the Effective Date shall continue as such after the Effective Date, to serve until the next annual meeting of shareholders and directors, respectively, and the election and qualification of their successors.